

# KICKHAEFER

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CERTIFIED PUBLIC ACCOUNTANTS

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**UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS  
AUDIT REPORT JUNE 30, 2014  
EIN 48-0720068**

*Prepared By*

**KICKHAEFER & ASSOCIATE, P.A.  
CERTIFIED PUBLIC ACCOUNTANTS  
MARYSVILLE, KANSAS 66508**

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS  
  
FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
  
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**KICKHAEFER & ASSOCIATE, P.A.**  
CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITORS' REPORT**

Board of Education  
Unified School District No. 364  
Marysville, Kansas 66508

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 364, Marysville, Kansas, as of and for the year ended June 30, 2014 and the related notes to the financial statement.

**Management's Responsibility for the Financial Statement**

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 C. to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of The United States, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1 C. of the financial statement, the financial statement is prepared by Unified School District No. 364, Marysville, Kansas, to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 C. and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

**Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District No. 364, Marysville, Kansas, as of June 30, 2014, or the changes in financial position and cash flows thereof for the year then ended.

**Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Unified School District No. 364, Marysville, Kansas, as of June 30, 2014, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1 C.

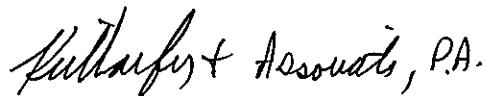
**Other Reporting Required by Governmental Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated January 14, 2015, on our consideration of the Unified School District No. 364, Marysville, Kansas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Unified School District No. 364, Marysville, Kansas' internal control over financial reporting and compliance.

**Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures - agency funds, and schedule of regulatory basis receipts, expenditures and unencumbered cash – activity funds (Schedules 1,2,3,and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The Comparison of Depository Security with Funds on Deposit (Schedule 5) is presented for analysis and not a required part of the basic financial statement. The Schedule of Expenditures of Federal Awards, Schedule of Findings and

Questioned Costs, and Schedule of Prior Year Audit Findings are presented for analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and are also not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1 C.



Kickhaefer & Associate, P.A.

Marysville, Kansas

January 14, 2015

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

**FINANCIAL INFORMATION**

UNIFIED SCHOOL DISTRICT NO. 384  
MARYSVILLE, KANSAS

STATEMENT 1  
PAGE 1 OF 2

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

FUNDS	BEGINNING UNENCUMBERED CASH BALANCE	PRIOR YEAR CANCELLED ENCUMBRANCES	RECEIPTS	EXPENDITURES	UNENCUMBERED CASH BALANCE	ADD OUTSTANDING ENCUMBRANCES AND ACCOUNTS PAYABLE	ENDING CASH BALANCE
GENERAL FUNDS:							
GENERAL	\$	\$	\$	\$	\$	\$	\$
SUPPLEMENTAL GENERAL	59,479.98	0.00	1,837,619.77	1,777,013.00	120,086.75	0.00	120,086.75
SPECIAL PURPOSE FUNDS:							
AT-RISK FUND (K-12)	0.00	0.00	481,903.40	481,903.40	0.00	6,936.00	6,936.00
CAPITAL OUTLAY	726,656.38	77,431.13	614,261.30	694,121.21	724,227.60	254,555.22	978,782.82
DRIVER TRAINING	20,026.31	0.00	16,173.00	8,714.60	27,484.71	0.00	27,484.71
FOOD SERVICE	75,000.00	0.00	482,603.87	508,966.24	48,637.63	71.51	48,709.14
PROFESSIONAL DEVELOPMENT	0.00	0.00	34,879.48	34,879.48	0.00	2,495.71	2,495.71
SPECIAL EDUCATION	294,775.89	0.00	1,111,836.43	1,361,382.70	45,229.62	0.00	45,229.62
AT-RISK FUND (4 YR OLD)	0.00	0.00	79,600.03	79,600.03	0.00	0.00	0.00
VOCATIONAL EDUCATION	0.00	0.00	319,560.73	319,560.73	0.00	0.00	0.00
KPERS SPECIAL RETIREMENT CONTRIBUTION	0.00	0.00	606,806.79	606,806.79	0.00	0.00	0.00
COOP SPECIAL EDUCATION	0.00	0.00	2,350,239.30	2,350,239.30	0.00	8,530.69	8,530.69
CONTINGENCY RESERVE	218,954.00	0.00	0.00	0.00	218,954.00	0.00	218,954.00
TEXTBOOK & STUDENT MATERIAL REVOLVING	193,880.36	0.00	43,628.63	118,322.27	119,186.72	94,514.08	213,700.80
CAMP INVENTION	1,168.50	0.00	0.00	0.00	1,168.50	0.00	1,168.50
TITLE I - FY14	0.00	0.00	115,008.00	115,008.00	0.00	0.00	0.00
TITLE I/A - IMPROVING TEACHER QUALITY	0.00	0.00	31,584.00	31,584.00	0.00	0.00	0.00
SAFE & SUPPORTIVE SCHOOLS - FY14	0.00	243.92	95,681.00	95,924.92	0.00	5,706.58	5,706.58
KIDS UNIVERSITY	15,718.67	0.00	24,872.25	23,124.87	17,466.05	119.25	17,585.30
WORKFORCE INVESTMENT ACT	0.00	0.00	35,951.00	35,951.00	0.00	1,213.63	1,213.63
GATE RECEIPT FUNDS	21,835.05	0.00	76,832.79	76,437.45	22,230.39	0.00	22,230.39
SCHOOL PROJECT FUNDS	99,114.95	0.00	169,043.60	172,033.43	96,125.12	0.00	96,125.12

(CONT.)



UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

STATEMENT 1  
PAGE 2 OF 2

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

FUNDS	BEGINNING UNENCUMBERED CASH BALANCE	PRIOR YEAR CANCELLED ENCUMBRANCES	RECEIPTS	EXPENDITURES	UNENCUMBERED CASH BALANCE	ADD OUTSTANDING ENCUMBRANCES AND ACCOUNTS PAYABLE	ENDING CASH BALANCE
BOND AND INTEREST FUNDS:							
BOND AND INTEREST	\$ 191,389.02	\$ 0.00	\$ 25.96	\$ 0.00	\$ 191,414.98	\$ 0.00	\$ 191,414.98
DEBT SERVICE FUND	158,334.27	0.00	202,330.21	123,163.54	237,500.94	0.00	237,500.94
EXPENDABLE TRUSTS:							
GRANTS FUND	10,396.52	0.00	5,100.00	5,208.29	10,288.23	0.00	10,288.23
U.S.D. NO. 364 SCHOLARSHIP FUND	6,809.05	0.00	319.55	300.00	6,828.60	0.00	6,828.60
HOMER HANSON STADIUM RENOVATION	0.00	0.00	145,922.40	127,580.94	18,341.46	0.00	18,341.46
TOTAL REPORTING ENTITY (Excluding Agency Funds)	\$ 2,093,538.95	\$ 77,675.05	\$ 14,115,340.22	\$ 14,381,382.92	\$ 1,905,171.30	\$ 374,142.67	\$ 2,279,313.97

COMPOSITION OF CASH:

CASH IN BANK, UNITED BANK & TRUST, MARYSVILLE, KANSAS--  
CHECKING ACCOUNTS

\$ 2,206,921.56

CASH IN BANK, CITIZENS STATE BANK, MARYSVILLE, KANSAS--  
QZAB SINKING FUND  
MM ACCOUNT

237,500.01  
6,528.60

TOTAL CASH

2,450,950.17

INVESTMENTS AT COST  
BANK OF KANSAS CITY, KANSAS CITY, MISSOURI  
CAVANAL HILL US TREASURY

0.93

TOTAL DISTRICT CASH AND INVESTMENTS

2,450,951.10

LESS AGENCY FUNDS PER SCHEDULE 3

(171,637.13)

TOTAL REPORTING ENTITY CASH AND INVESTMENTS(Excluding Agency Funds)

\$ 2,279,313.97

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Municipal Financial Reporting Entity

Unified School District No. 364 is a municipal corporation governed by an elected seven-member board. This regulatory financial statement presents Unified School District No. 364 (the District) and does not include any related municipal entities.

B. Regulatory Basis Fund Types

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The following regulatory basis fund types comprise the financial activities of the District for the fiscal year 2014:

General fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose funds - used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest fund - used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Trust fund - funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency fund—funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

C. Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America--The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. Basis of Accounting (cont.)

future cash value or represent no future obligation against cash. The KMAAG regulatory basis does recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirements for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

D. Reimbursements

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis accounting.

E. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding fiscal year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There was no such amendment made by the District in FY14.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

E. Budgetary Information (cont.)

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose funds: Contingency Reserve, Textbook and Student Revolving, and all federal programs and grant funds. Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

F. Property Tax

The county clerk calculates the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the clerk certifies the tax roll to the county treasurer, who prepares tax statements and receives payment.

Taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 21st and May 11th. Delinquent taxes were assessed interest at 6% per annum for the calendar year 2013, and 6% per annum for calendar year 2014. This interest is retained by the county.

Taxes levied to finance the budget are made available to the District after January 1st and are distributed by the county treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

2. DEPOSITS AND INVESTMENTS

As of June 30, 2014, the District had the following investments and maturities.

Investment Type	Cost	Fair Value	Rating
Cavanal Hill Treasury Fund	\$ 0.93	\$ 0.93	AAA by S&P
Money Market Mutual Fund which doesn't have a maturity date. Funds may be drawn down at any time.			

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2014

2. DEPOSITS AND INVESTMENTS (cont.)

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices. The rating of the District's investment is noted above.

*Concentration of credit risk.* State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The District's allocation of investments as of June 30, 2014, is as follows:

<u>Investments</u>	<u>Percentage of Investments</u>
Cavanal Hill US Treasury	100%

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2014.

At June 30, 2014 the carrying amount of the District's deposits, including certificates of deposits, was \$2,450,951.10. The bank balance was \$2,726,628.55. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$494,029.54 was covered by FDIC insurance and \$2,232,599.01 was collateralized with securities held by the pledging financial institution's agent in the District's name.

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. At June 30, 2014, the District had invested \$.93 in the Money Market Funds of the Bond Trustee, Bank of Kansas City, which is secured by U.S. Government Securities.

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2014

3. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$237,715.00 subsequent to June 30, 2014 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2014.

4. LONG-TERM DEBT

The District has no outstanding long-term debt as of June 30, 2014. However, the District entered into a lease purchase agreement with the Bank of Kansas City, Kansas City, Missouri for energy improvements. The energy improvements were funded by Qualified Zone Academy Bonds which were purchased by two local banks. The QZAB Series 2010A have a tax credit of 5.85% and the QZAB Series 2010B have an interest rate of 5.85%. The lease purchase agreement is set up for basic rent payments and to be limited to payment from available revenues and will constitute a current expense of the District and not debt of the District. The Series 2010A basic principal payments are put in a QZAB Sinking Fund of the District each year in order to pay the full \$950,000 in the final year 2022. For FYE14 the District has \$237,500.01 balance in the sinking fund. Since no payments are actually paid out till that date, the principal remains the same till the final year. The U.S. Treasury was supposed to pay for the entire interest due for the Series 2010B but due to the sequestration the District had to pay 7.2% of the \$43,996.87 interest due in FYE 14. The rate the U.S. Treasury will pay will vary over the years. Interest payments projected below are calculated using the latest rate available which is that the District will have to pay 7.3% of the interest amount due. The Series 2010B basic principal payments and interest are paid to the local bank each year. The schedule of basic rent payments as of June 30, 2014, for the Series 2010A and Series 2010B Certificates are shown below for informational purposes.

ISSUE	INTEREST RATES	DATE OF ISSUE	AMOUNT OF ISSUE	DATE OF FINAL MATURITY	BEGINNING PRINCIPAL OUTSTANDING	ADDITIONS TO PRINCIPAL	REDUCTIONS OF PRINCIPAL	NET CHANGE IN PRINCIPAL	ENDING PRINCIPAL OUTSTANDING	INTEREST PAID
LEASE PURCHASE AGREEMENT WITH BANK OF KANSAS CITY										
QUALIFIED ZONE ACADEMY BONDS										
CERTIFICATE OF PARTICIPATION										
SERIES 2010A	5.85% TAX CREDIT	12/29/2010	950,000.00	12/29/2022	\$ 950,000.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 950,000.00	\$ 0.00
SERIES 2010B	5.85%	12/29/2010	950,000.00	12/29/2022	791,666.66	0.00	79,166.67	(79,166.67)	712,499.99	3,167.77
					\$ 1,741,666.66	\$ 0.00	\$ 79,166.67	\$ (79,166.67)	\$ 1,662,499.99	\$ 3,167.77

Current maturities of the basic rent payment schedule showing principal and interest for the next five years and in five year increments through maturity are as follows:

	YEAR						
	2015	2016	2017	2018	2019	2020-2024	TOTAL
<b>PRINCIPAL</b>							
ENERGY IMPROVEMENT LEASE:							
QZAB SERIES 2010A	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 950,000.00	\$ 950,000.00
QZAB SERIES 2010B	79,166.67	79,166.67	79,166.67	79,166.67	79,166.67	316,666.64	712,499.99
<b>TOTAL PRINCIPAL</b>	<b>79,166.67</b>	<b>79,166.67</b>	<b>79,166.67</b>	<b>79,166.67</b>	<b>79,166.67</b>	<b>1,266,666.64</b>	<b>1,662,499.99</b>
<b>INTEREST</b>							
ENERGY IMPROVEMENT LEASE:							
QZAB SERIES 2010A	0.00	0.00	0.00	0.00	0.00	0.00	0.00
QZAB SERIES 2010B	2,873.69	2,535.61	2,197.53	1,859.45	1,521.37	2,704.67	13,692.32
<b>TOTAL INTEREST</b>	<b>2,873.69</b>	<b>2,535.61</b>	<b>2,197.53</b>	<b>1,859.45</b>	<b>1,521.37</b>	<b>2,704.67</b>	<b>13,692.32</b>
<b>TOTAL PRINCIPAL AND INTEREST</b>	<b>\$ 82,040.36</b>	<b>\$ 81,702.28</b>	<b>\$ 81,364.20</b>	<b>\$ 81,026.12</b>	<b>\$ 80,688.04</b>	<b>\$ 1,269,371.31</b>	<b>\$ 1,676,192.31</b>

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2014

5. INTERFUND TRANSFERS

<u>From</u>	<u>To</u>	<u>Authority</u>	<u>Amount</u>
General Fund	At Risk Fund (K-12)	K.S.A. 72-6428	\$ 481,903.40
General Fund	At Risk Fund (4Year Old)	K.S.A. 72-6428	79,600.03
General Fund	Food Service Fund	K.S.A. 72-6428	455.50
General Fund	Professional Dev. Fund	K.S.A. 72-6428	32,254.48
General Fund	Special Education Fund	K.S.A. 72-6428	1,098,878.99
General Fund	Vocational Education Fund	K.S.A. 72-6428	314,265.34
Special Education Fund	Coop Special Education	K.S.A. 72-6420	1,361,382.70

6. DEFINED BENEFIT PENSION PLAN

Plan description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate of 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. Effective January 1, 2014 the KPERS member-employee contribution rate changed to 5% of covered salary for Tier 1 members. Member employees' contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

The State of Kansas is required to contribute the statutory required employers share. The State of Kansas contributes 11.12% of covered payroll for the period July 1, 2013 to June 30, 2014. The State of

UNIFIED SCHOOL DISTRICT NO. 364  
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NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2014

6. DEFINED BENEFIT PENSION PLAN (cont.)

Kansas contribution to KPERs for all school municipalities for the year ending June 30, 2014 received as of June 30 was \$361,575,393.

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other post-employment benefits. As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Fringe Benefits. Each teacher shall be entitled once annually to elect to have a portion of the teacher's salary set aside on a Plan 125 not to exceed, \$10,000. The plan may pay for group health insurance or the following programs: term life insurance up to \$50,000.00, salary protection insurance, child care, and supplemental medical insurance such as dental, vision, and cancer.

The District will participate in the State of Kansas Employee Healthcare Program for school districts for as long as the District meets the requirements to participate. If for some reason the District does not meet the participation enrollment requirements all new employees will be required to enroll in the District health insurance. If the District no longer qualifies to participate in the state health insurance program, the District will contribute a matching amount to a new health insurance plan.

Compensated Absences. The District's policies regarding vacation and sick leave are: Each full time teacher shall earn 12 full days of leave each school year accumulative to 102 days; the superintendent is allowed twelve days leave accumulative to 102 days and 12 days vacation; the principals are allowed twelve days leave accumulative to 102 days; District employees who have a nine month contract are allowed six days sick leave accumulative to 100 days; District employees who have over a nine month contract are allowed an extra day per month; ten days sick leave accumulative to 100 days; the custodians, secretaries, and U.S.D. clerk who have a twelve month contract are allowed 10 sick days and 5 days of vacation the first year of employment and 10 days of vacation thereafter; the director of building and grounds and the director of transportation are allowed 10 sick days accumulative to 100 and 12 days of vacation; the director of technology is allowed 12 days sick leave and 12 days' vacation accumulative to 102 days.

Liability for compensated absences is not reflected in the financial statements.



UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2014

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (cont.)

Termination Benefits. The District provided for an early retirement program at the end of FY09 for eligible certified staff. Compensation would be paid according to the schedule in the addendum to FY09 Negotiated Agreement. The program provides for one payment on August 1 or two payments (August 1 and February 1). The Board of Education passed a similar early retirement schedule for FY11 and one employee took advantage of early retirement. Payments made or encumbered for retired employees under these plans were \$15,750.00 for the year ended June 30, 2014.

8. COMMITMENTS AND CONTINGENCIES

Litigation

As of the audit date, there is no pending or threatened litigation which involves the District.

Grant program involvement The District participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by grantors or their representatives for audit of these programs for or including the year ending June 30, 2014. These compliance audits have not been conducted as of January 14, 2015. Accordingly, the District's compliance with applicable grant agreements will be established at some future date. The amount of expenditures, which may be disallowed by the grantor agencies, cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

9. SUBSEQUENT EVENTS

The District's management has evaluated events and transactions occurring through January 14, 2015, the date which the financial statement was available to be issued.

10. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Finance-Related Legal and Contractual Provisions

K.S.A. 75-3317 thru K.S.A. 75-3322 makes mandatory the purchase of products offered by Kansas industries for the blind and severely disabled. "The Kansas Use Law" states that when a unified school district has need to purchase products such as those listed in the Kansas State Use Catalog, it is a violation of Kansas law to purchase from any source other than those specified on the website or catalog. The District did not make all purchases of such products from these industries.

K.S.A. 10-1113 requires that no indebtedness be created for a fund in excess of available monies in that fund. The District had a shortage of funds in November, 2013 and the General, Supplemental General, and Coop Special Education Funds had negative fund balances. Due to the State of Kansas underfunding selected programs the District will need to ask for additional funding in state aid earlier in the fiscal year. General state aid was received December 2<sup>nd</sup>, and special education state aid on December 16, 2013.

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**REGULATORY-REQUIRED  
SUPPLEMENTARY INFORMATION**

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 1

SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

FUNDS	CERTIFIED BUDGET	ADJUSTMENT TO COMPLY WITH LEGAL MAX		ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	TOTAL BUDGET FOR COMPARISON	EXPENDITURES CHARGEABLE TO CURRENT YEAR	VARIANCE - OVER (UNDER)
GENERAL FUNDS:							
GENERAL	\$ 5,239,254.00	\$ (108,948.00)	\$ 103,250.87	\$ 5,233,556.87	\$ 5,233,556.73	\$ (0.14)	
SUPPLEMENTAL GENERAL	1,792,440.00	(15,427.00)	0.00	1,777,013.00	1,777,013.00	0.00	
SPECIAL PURPOSE FUNDS:							
AT RISK FUND (K-12)							
CAPITAL OUTLAY	520,000.00	0.00	0.00	520,000.00	481,903.40	(38,096.60)	
DRIVER TRAINING	1,307,962.00	0.00	0.00	1,307,962.00	694,121.21	(613,840.79)	
FOOD SERVICE	25,201.00	0.00	0.00	25,201.00	8,714.60	(16,486.40)	
PROFESSIONAL DEVELOPMENT	568,558.00	0.00	2,639.77	571,197.77	508,966.24	(62,231.53)	
SPECIAL EDUCATION	50,000.00	0.00	0.00	50,000.00	34,879.48	(15,120.52)	
VOCATIONAL EDUCATION	1,744,776.00	0.00	0.00	1,744,776.00	1,361,382.70	(383,393.30)	
KPERS SPECIAL RETIREMENT CONTRIBUTION	365,000.00	0.00	0.00	365,000.00	319,560.73	(45,439.27)	
AT RISK FUND (4 YR. OLD)	675,533.00	0.00	0.00	675,533.00	606,806.79	(68,726.21)	
COOP SPECIAL EDUCATION	80,000.00	0.00	0.00	80,000.00	79,600.03	(399.97)	
	2,550,000.00	0.00	0.00	2,550,000.00	2,350,239.30	(199,760.70)	
BOND AND INTEREST FUNDS:							
BOND AND INTEREST	0.00	0.00	0.00	0.00	0.00	0.00	

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MARYSVILLE, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
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GENERAL FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	13-14 ACTUAL	13-14 BUDGET	VARIANCE - OVER (UNDER)
<b>CASH RECEIPTS</b>			
TAXES AND SHARED REVENUE--			
AD VALOREM PROPERTY TAXES -2012	\$ 39,116.91	\$ 22,804.00	\$ 16,312.91
-2013	1,274,374.86	1,203,692.00	70,682.86
DELINQUENT PROPERTY TAX	6,797.93	13,294.00	(6,496.07)
IN LIEU OF TAXES IRBS	193.16	0.00	193.16
<b>TOTAL TAXES AND SHARED REVENUE</b>	<b>1,320,482.86</b>	<b>1,239,790.00</b>	<b>80,692.86</b>
<b>STATE SOURCES--</b>			
GENERAL STATE AID	3,059,282.00	3,185,290.00	(126,008.00)
SPECIAL EDUCATION AID	750,541.00	814,174.00	(63,633.00)
<b>TOTAL STATE SOURCES</b>	<b>3,809,823.00</b>	<b>3,999,464.00</b>	<b>(189,641.00)</b>
<b>REIMBURSEMENTS</b>	<b>103,250.87</b>	<b>0.00</b>	<b>103,250.87</b>
<b>TOTAL CASH RECEIPTS</b>	<b>5,233,556.73</b>	<b>\$ 5,239,254.00</b>	<b>\$ (5,697.27)</b>
<b>EXPENDITURES</b>			
INSTRUCTION	1,209,111.55	\$ 1,294,000.00	\$ (84,888.45)
SUPPORT SERVICES:			
STUDENT SUPPORT SERVICES	140,768.41	123,800.00	16,968.41
INSTRUCTIONAL SUPPORT STAFF	314,642.35	260,600.00	54,042.35
GENERAL ADMINISTRATION	208,023.17	199,500.00	8,523.17
SCHOOL ADMINISTRATION	499,556.55	465,000.00	34,556.55
OTHER SUPPLEMENTAL SERVICE	85,286.12	81,500.00	3,786.12
OPERATIONS & MAINTENANCE	441,158.95	433,324.00	7,834.95
STUDENT TRANSPORTATION SERVICES:			
SUPERVISION	226,815.90	234,530.00	(7,714.10)
VEHICLE OPERATING SERVICES	72,795.67	104,000.00	(31,204.33)
VEHICLE SERVICES, MAINTENANCE SERVICES	28,040.32	0.00	28,040.32
TRANSFERS:			
FOOD SERVICE	455.50	20,000.00	(19,544.50)
PROFESSIONAL DEVELOPMENT	32,254.48	28,000.00	4,254.48
SPECIAL EDUCATION	1,098,878.99	1,200,000.00	(101,121.01)
VOCATIONAL EDUCATION	314,265.34	270,000.00	44,265.34
AT-RISK (K-12)	481,903.40	450,000.00	31,903.40
AT-RISK (4 YR OLD)	79,600.03	75,000.00	4,600.03
ADJUSTMENT TO COMPLY WITH LEGAL MAX	0.00	(108,948.00)	108,948.00
<b>LEGAL GENERAL FUND BUDGET</b>	<b>5,233,556.73</b>	<b>5,130,306.00</b>	<b>103,250.73</b>
<b>ADJUSTMENT FOR QUALIFYING BUDGET CREDITS</b>	<b>0.00</b>	<b>103,250.87</b>	<b>(103,250.87)</b>
<b>TOTAL EXPENDITURES</b>	<b>5,233,556.73</b>	<b>\$ 5,233,556.87</b>	<b>\$ (0.14)</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>0.00</b>		
<b>UNENCUMBERED CASH, JULY 1, 2013</b>	<b>0.00</b>		
<b>UNENCUMBERED CASH, JUNE 30, 2014</b>	<b>\$ 0.00</b>		

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
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**SUPPLEMENTAL GENERAL**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	13-14 ACTUAL	13-14 BUDGET	VARIANCE - OVER (UNDER)
<b><u>RECEIPTS</u></b>			
AD VALOREM PROPERTY TAXES -2012	\$ 45,377.14	\$ 42,253.00	\$ 3,124.14
-2013	1,487,728.90	1,383,218.00	104,510.90
DELINQUENT PROPERTY TAX	11,172.24	14,356.00	(3,183.76)
MOTOR VEHICLE TAX	148,331.00	149,159.00	(828.00)
RECREATIONAL VEHICLE TAX	1,892.74	2,346.00	(453.26)
EXCISE TAX	158.68	0.00	158.68
IN LIEU OF TAXES IRBS	210.07	0.00	210.07
GENERAL STATE AID	142,749.00	141,628.00	1,121.00
<b>TOTAL RECEIPTS</b>	<b><u>1,837,619.77</u></b>	<b><u>\$ 1,732,960.00</u></b>	<b><u>\$ 104,659.77</u></b>
<b><u>EXPENDITURES</u></b>			
INSTRUCTION	1,463,756.09	\$ 1,508,500.00	\$ (44,743.91)
SUPPORT SERVICES:			
GENERAL ADMINISTRATION	0.00	75,000.00	(75,000.00)
OPERATIONS & MAINTENANCE	306,836.65	130,000.00	176,836.65
VEHICLE OPERATING SERVICES	6,420.26	78,940.00	(72,519.74)
ADJUSTMENT TO COMPLY WITH LEGAL MAX	0.00	(15,427.00)	15,427.00
<b>TOTAL EXPENDITURES</b>	<b><u>1,777,013.00</u></b>	<b><u>\$ 1,777,013.00</u></b>	<b><u>\$ 0.00</u></b>
RECEIPTS OVER (UNDER) EXPENDITURES	60,606.77		
UNENCUMBERED CASH, JULY 1, 2013	<u>59,479.98</u>		
UNENCUMBERED CASH, JUNE 30, 2014	<u>\$ 120,086.75</u>		

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**AT RISK FUND (K-12)**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	13-14 ACTUAL	13-14 BUDGET	VARIANCE - OVER (UNDER)
<b><u>RECEIPTS</u></b>			
OTHER REVENUE FROM LOCAL SOURCE	\$ 0.00	\$ 70,000.00	\$ (70,000.00)
TRANSFER FROM GENERAL FUND	<u>481,903.40</u>	<u>450,000.00</u>	<u>31,903.40</u>
TOTAL RECEIPTS	<u>481,903.40</u>	<u>\$ 520,000.00</u>	<u>\$ (38,096.60)</u>
<b><u>EXPENDITURES</u></b>			
INSTRUCTION	458,634.48	\$ 450,000.00	\$ 8,634.48
SUPPORT SERVICES:			
STUDENT SUPPORT SERVICES	23,203.92	0.00	23,203.92
INSTRUCTIONAL SUPPORT STAFF	65.00	0.00	65.00
OPERATIONS & MAINTENANCE	<u>0.00</u>	<u>70,000.00</u>	<u>(70,000.00)</u>
TOTAL EXPENDITURES	<u>481,903.40</u>	<u>\$ 520,000.00</u>	<u>\$ (38,096.60)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2013	<u>0.00</u>		
UNENCUMBERED CASH, JUNE 30, 2014	<u>\$ 0.00</u>		

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
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**CAPITAL OUTLAY FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	13-14 ACTUAL	13-14 BUDGET	VARIANCE - OVER (UNDER)
<b><u>RECEIPTS</u></b>			
AD VALOREM PROPERTY TAXES -2012	\$ 18,243.60	\$ 17,113.00	\$ 1,130.60
-2013	530,633.12	503,220.00	27,413.12
DELINQUENT PROPERTY TAX	4,219.22	5,778.00	(1,558.78)
MOTOR VEHICLE TAX	52,848.32	54,341.00	(1,492.68)
RECREATION VEHICLE TAX	687.22	854.00	(166.78)
EXCISE TAX	54.89	0.00	54.89
IN LIEU OF TAXES IRBS	74.93	0.00	74.93
OTHER REVENUE FROM LOCAL SOURCES	7,500.00	0.00	7,500.00
<b>TOTAL RECEIPTS</b>	<b>614,261.30</b>	<b>\$ 581,306.00</b>	<b>\$ 32,955.30</b>
<b><u>EXPENDITURES</u></b>			
INSTRUCTION	277,756.95	\$ 294,200.00	\$ (16,443.05)
SUPPORT SERVICES:			
STUDENT SUPPORT SERVICES	0.00	9,226.00	(9,226.00)
INSTRUCTIONAL SUPPORT STAFF	0.00	200,000.00	(200,000.00)
GENERAL ADMINISTRATION	560.00	0.00	560.00
OPERATIONS & MAINTENANCE	6,262.99	190,336.00	(184,073.01)
TRANSPORTATION	61,747.00	200,000.00	(138,253.00)
OTHER SUPPORT SERVICES	0.00	100,000.00	(100,000.00)
BUILDING IMPROVEMENTS	347,794.27	314,200.00	33,594.27
<b>TOTAL EXPENDITURES</b>	<b>694,121.21</b>	<b>\$ 1,307,962.00</b>	<b>\$ (613,840.79)</b>
RECEIPTS OVER (UNDER) EXPENDITURES	(79,859.91)		
UNENCUMBERED CASH, JULY 1, 2013	726,656.38		
PRIOR YEAR CANCELLED ENCUMBRANCE	77,431.13		
UNENCUMBERED CASH, JUNE 30, 2014	\$ 724,227.60		



UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
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**DRIVER TRAINING FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	13-14 ACTUAL	13-14 BUDGET	VARIANCE - OVER (UNDER)
<u>RECEIPTS</u>			
STATE OF KANSAS - STATE AID	\$ 5,185.00	\$ 5,175.00	\$ 10.00
STUDENT FEES	10,988.00	0.00	10,988.00
TOTAL RECEIPTS	16,173.00	\$ 5,175.00	\$ 10,998.00
<u>EXPENDITURES</u>			
INSTRUCTION	5,179.48	\$ 10,300.00	\$ (5,120.52)
SUPPORT SERVICES:			
INSTRUCTIONAL SUPPORT STAFF	0.00	14,000.00	(14,000.00)
VEHICLE OPERATIONS, MAINTENANCE SERVICES	3,535.12	901.00	2,634.12
TOTAL EXPENDITURES	8,714.60	\$ 25,201.00	\$ (16,486.40)
RECEIPTS OVER (UNDER) EXPENDITURES	7,458.40		
UNENCUMBERED CASH, JULY 1, 2013	20,026.31		
UNENCUMBERED CASH, JUNE 30, 2014	\$ 27,484.71		

UNIFIED SCHOOL DISTRICT NO. 364  
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SCHEDULE 2  
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**FOOD SERVICE FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	13-14 ACTUAL	13-14 BUDGET	VARIANCE - OVER (UNDER)
<u>RECEIPTS</u>			
STATE OF KANSAS - STATE AID	\$ 4,149.43	\$ 3,489.00	\$ 660.43
- FEDERAL AID	198,073.37	168,387.00	29,686.37
MEALS	268,142.23	301,682.00	(33,539.77)
TRANSFER FROM GENERAL FUND	455.50	20,000.00	(19,544.50)
INTEREST ON IDLE FUNDS	9,143.57	0.00	9,143.57
REIMBURSEMENTS	2,639.77	0.00	2,639.77
TOTAL RECEIPTS	<u>482,603.87</u>	<u>\$ 493,558.00</u>	<u>\$ (10,954.13)</u>
<u>EXPENDITURES</u>			
FOOD SERVICE OPERATIONS	508,966.24	\$ 568,558.00	\$ (59,591.76)
ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	<u>0.00</u>	<u>2,639.77</u>	<u>(2,639.77)</u>
TOTAL EXPENDITURES	<u>508,966.24</u>	<u>\$ 571,197.77</u>	<u>\$ (62,231.53)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(26,362.37)		
UNENCUMBERED CASH, JULY 1, 2013	<u>75,000.00</u>		
UNENCUMBERED CASH, JUNE 30, 2014	<u>\$ 48,637.63</u>		

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
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**PROFESSIONAL DEVELOPMENT FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	13-14 ACTUAL	13-14 BUDGET	VARIANCE - OVER (UNDER)
<b><u>RECEIPTS</u></b>			
OTHER REVENUE FROM LOCAL SOURCE	\$ 2,625.00	\$ 22,000.00	\$ (19,375.00)
TRANSFER FROM GENERAL FUND	<u>32,254.48</u>	<u>28,000.00</u>	<u>4,254.48</u>
TOTAL RECEIPTS	<u>34,879.48</u>	<u>\$ 50,000.00</u>	<u>\$ (15,120.52)</u>
<b><u>EXPENDITURES</u></b>			
INSTRUCTION	6,366.51	\$ 0.00	\$ 6,366.51
SUPPORT SERVICES:			
INSTRUCTIONAL SUPPORT STAFF	28,512.97	39,000.00	(10,487.03)
OTHER SUPPLEMENTAL SERVICE	<u>0.00</u>	<u>11,000.00</u>	<u>(11,000.00)</u>
TOTAL EXPENDITURES	<u>34,879.48</u>	<u>\$ 50,000.00</u>	<u>\$ (15,120.52)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2013	<u>0.00</u>		
UNENCUMBERED CASH, JUNE 30, 2014	<u>\$ 0.00</u>		

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 2  
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**SPECIAL EDUCATION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	13-14 ACTUAL	13-14 BUDGET	VARIANCE - OVER (UNDER)
<b><u>RECEIPTS</u></b>			
OTHER REVENUE FROM LOCAL SOURCE	\$ 12,957.44	\$ 250,000.00	\$ (237,042.56)
TRANSFER FROM GENERAL FUND	<u>1,098,878.99</u>	<u>1,200,000.00</u>	<u>(101,121.01)</u>
TOTAL RECEIPTS	<u>1,111,836.43</u>	<u>\$ 1,450,000.00</u>	<u>\$ (338,163.57)</u>
<b><u>EXPENDITURES</u></b>			
INSTRUCTION	0.00	\$ 1,494,776.00	\$ (1,494,776.00)
SUPPORT SERVICES:			
OTHER SUPPLEMENTAL SERVICE	0.00	250,000.00	(250,000.00)
TRANSFERS:			
COOP SPECIAL EDUCATION	<u>1,361,382.70</u>	<u>0.00</u>	<u>1,361,382.70</u>
TOTAL EXPENDITURES	<u>1,361,382.70</u>	<u>\$ 1,744,776.00</u>	<u>\$ (383,393.30)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(249,546.27)		
UNENCUMBERED CASH, JULY 1, 2013	<u>294,775.89</u>		
UNENCUMBERED CASH, JUNE 30, 2014	<u>\$ 45,229.62</u>		

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MARYSVILLE, KANSAS

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**AT RISK FUND (4 YR OLD)**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	13-14 ACTUAL	13-14 BUDGET	VARIANCE - OVER (UNDER)
<b><u>RECEIPTS</u></b>			
OTHER REVENUE FROM LOCAL SOURCE	\$ 0.00	\$ 5,000.00	\$ (5,000.00)
TRANSFER FROM GENERAL FUND	<u>79,600.03</u>	<u>75,000.00</u>	<u>4,600.03</u>
TOTAL RECEIPTS	<u>79,600.03</u>	<u>\$ 80,000.00</u>	<u>\$ (399.97)</u>
<b><u>EXPENDITURES</u></b>			
INSTRUCTION	78,456.03	\$ 75,000.00	\$ 3,456.03
SUPPORT SERVICES:			
INSTRUCTIONAL SUPPORT STAFF	1,144.00	0.00	1,144.00
OPERATIONS & MAINTENANCE	<u>0.00</u>	<u>5,000.00</u>	<u>(5,000.00)</u>
TOTAL EXPENDITURES	<u>79,600.03</u>	<u>\$ 80,000.00</u>	<u>\$ (399.97)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2013	<u>0.00</u>		
UNENCUMBERED CASH, JUNE 30, 2014	<u>\$ 0.00</u>		

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**VOCATIONAL EDUCATION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	13-14 ACTUAL	13-14 BUDGET	VARIANCE - OVER (UNDER)
<b><u>RECEIPTS</u></b>			
OTHER REVENUE FROM LOCAL SOURCE	\$ 4,684.00	\$ 95,000.00	\$ (90,316.00)
TRANSFER FROM GENERAL FUND	314,265.34	270,000.00	44,265.34
REIMBURSEMENTS	<u>611.39</u>	<u>0.00</u>	<u>611.39</u>
TOTAL RECEIPTS	<u>319,560.73</u>	<u>\$ 365,000.00</u>	<u>\$ (45,439.27)</u>
<b><u>EXPENDITURES</u></b>			
INSTRUCTION	319,560.73	\$ 350,000.00	\$ (30,439.27)
SUPPORT SERVICES:			
INSTRUCTIONAL SUPPORT STAFF	<u>0.00</u>	<u>15,000.00</u>	<u>(15,000.00)</u>
TOTAL EXPENDITURES	<u>319,560.73</u>	<u>\$ 365,000.00</u>	<u>\$ (45,439.27)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2013	<u>0.00</u>		
UNENCUMBERED CASH, JUNE 30, 2014	<u>\$ 0.00</u>		

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**KPERS SPECIAL RETIREMENT CONTRIBUTION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

		13-14 ACTUAL	13-14 BUDGET	VARIANCE - OVER (UNDER)
<b><u>RECEIPTS</u></b>				
STATE OF KANSAS		\$ 606,806.79	\$ 675,533.00	\$ (68,726.21)
<b><u>EXPENDITURES</u></b>				
INSTRUCTION	-EMPLOYEE BENEFITS	372,990.64	\$ 461,033.00	\$ (88,042.36)
STUDENT SUPPORT	-EMPLOYEE BENEFITS	33,035.88	26,000.00	7,035.88
INSTRUCTIONAL SUPPORT	-EMPLOYEE BENEFITS	30,105.16	26,500.00	3,605.16
GENERAL ADMINISTRATION	-EMPLOYEE BENEFITS	16,386.92	17,000.00	(613.08)
SCHOOL ADMINISTRATION	-EMPLOYEE BENEFITS	57,767.99	55,000.00	2,767.99
OTHER SUPP. SERVICES	-EMPLOYEE BENEFITS	8,817.58	8,000.00	817.58
OPER. & MAINTENANCE	-EMPLOYEE BENEFITS	41,021.73	39,000.00	2,021.73
STUDENT TRANS. SERVICES	-EMPLOYEE BENEFITS	22,012.77	21,000.00	1,012.77
FOOD SERVICE	-EMPLOYEE BENEFITS	24,668.12	22,000.00	2,668.12
TOTAL EXPENDITURES		606,806.79	\$ 675,533.00	\$ (68,726.21)
RECEIPTS OVER (UNDER) EXPENDITURES		0.00		
UNENCUMBERED CASH, JULY 1, 2013		0.00		
UNENCUMBERED CASH, JUNE 30, 2014		\$ 0.00		

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MARYSVILLE, KANSAS

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**COOP SPECIAL EDUCATION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	13-14 ACTUAL	13-14 BUDGET	VARIANCE - OVER (UNDER)
<b><u>RECEIPTS</u></b>			
LOCAL SOURCES-PAYMENTS FROM OTHER DISTRICTS	\$ 667,216.66	\$ 2,258,000.00	\$ (1,590,783.34)
OTHER REVENUE FROM LOCAL SOURCES	2,884.62	2,000.00	884.62
TRANSFER FROM SPECIAL EDUCATION FUND	1,361,382.70	0.00	1,361,382.70
SEKESC - SPECTRA	34,156.32	30,000.00	4,156.32
TITLE VI-B GRANTS TO STATES	240,001.00	260,000.00	(19,999.00)
TITLE VI-B PRESCHOOL	9,661.00	0.00	9,661.00
TITLE VI-B PRIVATE SCHOOL	20,535.00	0.00	20,535.00
TITLE VI-B TIP	14,402.00	0.00	14,402.00
<b>TOTAL RECEIPTS</b>	<b><u>2,350,239.30</u></b>	<b><u>\$ 2,550,000.00</u></b>	<b><u>\$ (199,760.70)</u></b>
<b><u>EXPENDITURES</u></b>			
INSTRUCTION	2,009,497.63	\$ 2,390,000.00	\$ (380,502.37)
SUPPORT SERVICES:			
STUDENT SUPPORT SERVICES	287,792.92	125,000.00	162,792.92
INSTRUCTIONAL SUPPORT STAFF	375.00	0.00	375.00
GENERAL ADMINISTRATION	883.29	0.00	883.29
SCHOOL ADMINISTRATION	51,690.46	35,000.00	16,690.46
<b>TOTAL EXPENDITURES</b>	<b><u>2,350,239.30</u></b>	<b><u>\$ 2,550,000.00</u></b>	<b><u>\$ (199,760.70)</u></b>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2013	<u>0.00</u>		
UNENCUMBERED CASH, JUNE 30, 2014	<u>\$ 0.00</u>		



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**BOND AND INTEREST FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	<u>13-14</u> <u>ACTUAL</u>	<u>13-14</u> <u>BUDGET</u>	<u>VARIANCE -</u> <u>OVER</u> <u>(UNDER)</u>
<u>RECEIPTS</u>			
TAXES AND SHARED REVENUE--			
AD VALOREM PROPERTY TAXES -2012	\$ 10.26	\$ 0.00	\$ 10.26
DELINQUENT PROPERTY TAX	<u>15.70</u>	<u>0.00</u>	<u>15.70</u>
TOTAL RECEIPTS	<u>25.96</u>	<u>\$ 0.00</u>	<u>\$ 25.96</u>
<u>EXPENDITURES</u>			
TOTAL EXPENDITURES	<u>0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>
RECEIPTS OVER (UNDER) EXPENDITURES	25.96		
UNENCUMBERED CASH, JULY 1, 2013	<u>191,389.02</u>		
UNENCUMBERED CASH, JUNE 30, 2014	<u>\$ 191,414.98</u>		

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SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	CONTINGENCY RESERVE FUND	TEXTBOOK & STUDENT MATERIAL REVOLVING FUND	DEBT SERVICE FUND
<u>RECEIPTS</u>			
MISCELLANEOUS FEES & REIMBURSEMENTS	\$ 0.00	\$ 75.00	\$ 0.00
BOOK RENTAL FEES	0.00	40,056.65	0.00
STUDENT FEES	0.00	3,496.98	0.00
PAYMENTS FROM CAPITAL OUTLAY	0.00	0.00	161,501.11
BANK OF KANSAS CITY INTEREST	0.00	0.00	0.01
UNITED STATES TREASURY INTEREST	0.00	0.00	40,829.09
TOTAL RECEIPTS	0.00	43,628.63	202,330.21
<u>EXPENDITURES</u>			
INSTRUCTION	0.00	112,989.52	0.00
SUPPORT SERVICES:			
STUDENT SUPPORT	0.00	5,332.75	0.00
PAYMENTS TO UNITED BANK	0.00	0.00	123,163.54
TOTAL EXPENDITURES	0.00	118,322.27	123,163.54
RECEIPTS OVER (UNDER) EXPENDITURES	0.00	(74,693.64)	79,166.67
UNENCUMBERED CASH, JULY 1, 2013	218,954.00	193,880.36	158,334.27
UNENCUMBERED CASH, JUNE 30, 2014	\$ 218,954.00	\$ 119,186.72	\$ 237,500.94

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MARYSVILLE, KANSAS

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SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	TITLE I FY 14	TITLE II - A FY14	SAFE & SUPPORTIVE SCHOOLS FY14
<u>RECEIPTS</u>			
STATE OF KANSAS	\$ 115,008.00	\$ 31,584.00	\$ 95,681.00
<u>EXPENDITURES</u>			
INSTRUCTION	114,358.00	31,584.00	95,681.00
TRANSFER BACK TO GENERAL	0.00	0.00	243.92
SUPPORT SERVICES:			
INSTRUCTIONAL SUPPORT STAFF	650.00	0.00	0.00
TOTAL EXPENDITURES	115,008.00	31,584.00	95,924.92
RECEIPTS OVER (UNDER) EXPENDITURES	0.00	0.00	(243.92)
UNENCUMBERED CASH, JULY 1, 2013	0.00	0.00	0.00
PRIOR YEAR CANCELLED ENCUMBRANCE	0.00	0.00	243.92
UNENCUMBERED CASH, JUNE 30, 2014	\$ 0.00	\$ 0.00	\$ 0.00

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MARYSVILLE, KANSAS

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SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	KIDS UNIVERSITY	WORKFORCE INVESTMENT ACT	CAMP INVENTION
<u>RECEIPTS</u>			
STUDENT FEES	\$ 24,872.25	\$ 0.00	\$ 0.00
HEARTLAND WORKS	0.00	35,951.00	0.00
TOTAL RECEIPTS	<u>24,872.25</u>	<u>35,951.00</u>	<u>0.00</u>
<u>EXPENDITURES</u>			
INSTRUCTION	23,105.87	23,913.00	0.00
SUPPORT SERVICES:			
STUDENT SUPPORT SERVICES	0.00	12,038.00	0.00
INSTRUCTIONAL SUPPORT STAFF	19.00	0.00	0.00
TOTAL EXPENDITURES	<u>23,124.87</u>	<u>35,951.00</u>	<u>0.00</u>
RECEIPTS OVER (UNDER) EXPENDITURES	1,747.38	0.00	0.00
UNENCUMBERED CASH, JULY 1, 2013	<u>15,718.67</u>	<u>0.00</u>	<u>1,168.50</u>
UNENCUMBERED CASH, JUNE 30, 2014	<u>\$ 17,466.05</u>	<u>\$ 0.00</u>	<u>\$ 1,168.50</u>

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MARYSVILLE, KANSAS

SCHEDULE 2  
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SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	GRANTS FUND	USD #364 SCHOLARSHIP FUND	HOMER HANSON STADIUM RENOVATION
<u>RECEIPTS</u>			
INTEREST INCOME	\$ 0.00	\$ 19.55	\$ 0.00
DONATIONS	5,100.00	300.00	145,922.40
		0.00	
TOTAL RECEIPTS	5,100.00	319.55	145,922.40
<u>EXPENDITURES</u>			
INSTRUCTION	5,208.29	0.00	0.00
SCHOLARSHIPS	0.00	300.00	0.00
STADIUM RENOVATIONS	0.00	0.00	127,580.94
TOTAL EXPENDITURES	5,208.29	300.00	127,580.94
RECEIPTS OVER (UNDER) EXPENDITURES	(108.29)	19.55	18,341.46
UNENCUMBERED CASH, JULY 1, 2013	10,396.52	6,809.05	0.00
UNENCUMBERED CASH, JUNE 30, 2014	\$ 10,288.23	\$ 6,828.60	\$ 18,341.46

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UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 3

AGENCY FUNDS  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	BEGINNING CASH BALANCE	CASH RECEIPTS	CASH DISBURSEMENTS	ENDING CASH BALANCE
<b>STUDENT ORGANIZATION FUNDS</b>				
MARYSVILLE JUNIOR-SENIOR HIGH SCHOOL:				
CLASS OF 2013	\$ 408.22	\$ 0.08	\$ 408.30	\$ 0.00
CLASS OF 2014	133.54	1,086.02	1,136.30	83.26
CLASS OF 2015	2,523.67	54.04	2,499.01	78.70
CLASS OF 2016	441.47	6,837.22	4,068.12	3,210.57
CLASS OF 2017	0.00	100.22	0.00	100.22
ANNUAL CLUB	67.94	12,218.91	8,452.96	3,833.89
ART CLUB	589.26	2,648.45	2,379.20	858.51
BIOLOGY CLUB	854.16	146.71	314.29	686.58
FBLA	2,492.36	15,838.82	17,054.91	1,276.27
DRAMA CLUB	780.13	1,671.47	1,232.76	1,218.84
FFA	4,093.73	51,548.82	51,115.27	4,527.28
FCCLA	11,221.42	33,260.52	32,200.09	12,281.85
JUNIOR HIGH ANNUAL CLUB	978.75	916.00	1,061.33	833.42
JUNIOR HIGH STUDENT COUNCIL	307.89	1,653.06	1,783.69	177.26
KAYS	708.71	206.97	666.59	249.09
M-CLUB	5,456.44	3,935.33	4,995.09	4,396.68
MATMAIDS	560.28	541.03	774.00	327.31
NATIONAL HONOR SOCIETY CLUB	291.37	100.60	110.73	281.24
TRI-M CLUB	476.07	221.13	50.00	647.20
SCHOLARS BOWL CLUB	601.84	704.31	685.50	620.65
SADD	300.30	0.61	0.00	300.91
SPANISH CLUB	173.89	1,681.38	166.12	1,689.15
STUDENT COUNCIL	4,279.23	12,192.42	12,537.56	3,934.09
<b>SUBTOTAL ALL STUDENT ORGANIZATIONS</b>	<b>37,740.67</b>	<b>147,564.12</b>	<b>143,691.82</b>	<b>41,612.97</b>
<b>PAYROLL CLEARING</b>				
INSUR. & CAFETERIA PLAN REIMBURSEMENTS	161,234.45	1,342,055.63	1,373,265.92	130,024.16
<b>TOTAL AGENCY FUNDS</b>	<b>\$ 198,975.12</b>	<b>\$ 1,489,619.75</b>	<b>\$ 1,516,957.74</b>	<b>\$ 171,637.13</b>

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MARYSVILLE, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 4

DISTRICT ACTIVITY FUNDS  
SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH  
REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

FUNDS	BEGINNING UNENCUMBERED CASH BALANCE	PRIOR YEAR CANCELLED ENCUMBRANCES	CASH RECEIPTS	EXPENDITURES	ENDING UNENCUMBERED CASH BALANCE	ADD OUTSTANDING ENCUMBRANCES AND ACCOUNTS PAYABLE	ENDING CASH BALANCE
<b>GATE RECEIPTS</b>							
MARYSVILLE JUNIOR-SENIOR HIGH SCHOOL:							
ATHLETICS	\$ 16,461.68	\$ 0.00	\$ 68,110.79	\$ 69,145.88	\$ 15,426.49	\$ 0.00	\$ 15,426.49
ACTIVITY TICKETS	5,373.37	0.00	8,722.00	7,291.47	6,803.90	0.00	6,803.90
<b>SUBTOTAL GATE RECEIPTS</b>	<b>21,835.05</b>	<b>0.00</b>	<b>76,832.79</b>	<b>76,437.45</b>	<b>22,230.39</b>	<b>0.00</b>	<b>22,230.39</b>
<b>SCHOOL PROJECT FUNDS</b>							
MARYSVILLE JUNIOR-SENIOR HIGH SCHOOL:							
ATHLETICS/ACTIVITIES IMPROVEMENT	4,018.00	0.00	5,250.00	386.50	8,881.50	0.00	8,881.50
SPORTS CLUBS WITH NO OFFICERS	17,207.53	0.00	48,831.13	38,783.78	27,254.88	0.00	27,254.88
CHEERLEADERS	3,739.25	0.00	13,671.72	16,729.73	681.24	0.00	681.24
VOCAL MUSIC	645.38	0.00	3,318.91	3,426.43	537.86	0.00	537.86
KSCFL	3,012.88	0.00	7,561.68	10,283.56	291.00	0.00	291.00
VIDEOGRAPHY	4,097.27	0.00	648.62	808.74	3,937.15	0.00	3,937.15
POPULAR MUSIC LAB	280.16	0.00	0.55	0.00	280.71	0.00	280.71
SCIENCE CLUB	208.95	0.00	57.48	214.13	52.30	0.00	52.30
PHYSICS CLUB	244.46	0.00	574.39	624.51	194.34	0.00	194.34
BAND TRIP	2,633.73	0.00	8,856.71	5,766.17	5,724.27	0.00	5,724.27
BAND	2,837.28	0.00	7,247.11	5,335.49	4,748.90	0.00	4,748.90
BULLDOG CLUB	24,194.19	0.00	9,702.30	29,555.94	4,340.55	0.00	4,340.55
COURTESY FUND	243.14	0.00	0.00	121.98	121.16	0.00	121.16
HIGH SCHOOL IMPROVEMENT PROJECT	1,835.75	0.00	6,297.44	6,546.65	1,386.54	0.00	1,386.54
JUNIOR HIGH SCHOOL IMPROVEMENT PROJECT	133.13	0.00	398.83	519.66	12.30	0.00	12.30
JUNIOR HIGH SCHOOL WRESTLING	54.58	0.00	0.12	0.00	54.70	0.00	54.70
JUNIOR HIGH MUSICAL/DRAMA	65.03	0.00	0.00	0.00	65.03	0.00	65.03
LIBRARY FEES	1,490.71	0.00	1,649.27	742.44	2,397.54	0.00	2,397.54
MARSHALL COUNTY SPEECH EXPERIENCE	234.83	0.00	0.00	0.00	234.83	0.00	234.83
PEPSI	6,683.84	0.00	1,382.00	1,719.00	6,326.84	0.00	6,326.84
PHOTO SERVICES	3,181.07	0.00	7,151.88	8,446.72	1,886.21	0.00	1,886.21
SCHOOL SUPPLIES	945.11	0.00	377.00	121.26	1,200.85	0.00	1,200.85
STUDENT ACTIVITY PROJECTS	1,196.54	0.00	4,219.50	3,694.50	1,721.54	0.00	1,721.54
STUDENT REVOLVING FUND	200.00	0.00	23,133.57	23,143.57	190.00	0.00	190.00
YOGOWYPI	92.22	0.00	48.74	0.00	140.96	0.00	140.96
<b>SUBTOTAL MARYSVILLE JR-SR HIGH SCHOOL</b>	<b>79,275.03</b>	<b>0.00</b>	<b>150,358.93</b>	<b>156,970.76</b>	<b>72,663.20</b>	<b>0.00</b>	<b>72,663.20</b>
MARYSVILLE ELEMENTARY:							
BOOK FAIR/LIBRARY PROJECT	0.00	0.00	4,824.86	4,542.39	282.47	0.00	282.47
REFRESHMENTS PROJECT	838.69	0.00	464.85	797.04	506.50	0.00	506.50
DANKS	3,208.78	0.00	6.52	64.86	3,150.44	0.00	3,150.44
SCHOOL IMPROVEMENT PROJECT	4,405.10	0.00	3,032.83	1,618.88	5,819.05	0.00	5,819.05
EYE FUND	50.00	0.00	0.00	0.00	50.00	0.00	50.00
BUGS	36.65	0.00	0.00	0.00	36.65	0.00	36.65
MUSIC	258.55	0.00	595.00	494.70	358.85	0.00	358.85
STUDENT REVOLVING FUND	1,687.55	0.00	3,161.15	3,137.00	1,711.70	0.00	1,711.70
YEARBOOK PROJECT	5,584.22	0.00	3,272.00	3,294.85	5,561.37	0.00	5,561.37
THEME DAY	139.26	0.00	951.25	540.14	550.37	0.00	550.37
DONATION	1,531.31	0.00	2,376.21	547.81	3,359.71	0.00	3,359.71
LEARNING GARDEN	1,903.75	0.00	0.00	0.00	1,903.75	0.00	1,903.75
BULLDOG SINGERS	196.06	0.00	0.00	25.00	171.06	0.00	171.06
<b>SUBTOTAL MARYSVILLE ELEMENTARY SCHOOL</b>	<b>19,839.92</b>	<b>0.00</b>	<b>18,684.67</b>	<b>15,062.67</b>	<b>23,461.92</b>	<b>0.00</b>	<b>23,461.92</b>
<b>SUBTOTAL ALL SCHOOL PROJECT FUNDS</b>	<b>99,114.95</b>	<b>0.00</b>	<b>169,043.60</b>	<b>172,033.43</b>	<b>96,125.12</b>	<b>0.00</b>	<b>96,125.12</b>
<b>TOTAL DISTRICT ACTIVITY FUNDS</b>	<b>\$ 120,950.00</b>	<b>\$ 0.00</b>	<b>\$ 245,876.39</b>	<b>\$ 248,470.88</b>	<b>\$ 118,355.51</b>	<b>\$ 0.00</b>	<b>\$ 118,355.51</b>

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

**OTHER SUPPLEMENTARY INFORMATION**

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE 5

COMPARISON OF DEPOSITORY SECURITY WITH FUNDS ON DEPOSIT  
JUNE 30, 2014

	F.D.I.C. COVERAGE	SECURITY PLEDGED PAR VALUE	MARKET VALUE	TOTAL COVERAGE	FUNDS ON DEPOSIT 06-30-14	FUNDS AT RISK 06-30-14
<u>BANK</u>						
UNITED BANK & TRUST, MARYSVILLE, KANSAS-- DEMAND DEPOSITS	\$ 0.00				0.00	
TIME DEPOSITS	250,000.00				2,482,599.01	
SUBTOTAL	250,000.00	\$ 4,000,000.00	\$ 3,853,140.00	\$ 4,103,140.00	2,482,599.01	\$ 0.00
<u>CITIZENS STATE BANK, MARYSVILLE, KANSAS--</u>						
DEMAND DEPOSITS	237,500.01				237,500.01	
TIME DEPOSITS	6,528.60				6,528.60	
SUBTOTAL	244,028.61	300,000.00	338,760.00	582,788.61	244,028.61	0.00
<u>BANK OF KANSAS CITY, KANSAS CITY, MO</u>						
TIME DEPOSITS	0.93			0.93	0.93	0.00
CAVANAL HILL US TREASURY (COST BASIS)						
TOTAL CASH DEPOSITS OF REPORTING ENTITY	\$ 494,029.54	\$ 4,300,000.00	\$ 4,191,900.00	\$ 4,685,929.54	\$ 2,726,628.55	\$ 0.00

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

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**KICKHAEFER & ASSOCIATE, P.A.**  
CERTIFIED PUBLIC ACCOUNTANTS

Kenneth L. Kickhaefer, CPA

PO BOX 269, 1100 BROADWAY  
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
THE FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT  
AUDITING STANDARDS

Board of Education  
Unified School District No. 364  
Marysville, Kansas 66508

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States and the *Kansas Municipal Audit and Accounting Guide*, the financial statement of Unified School District No. 364, Marysville, Kansas, (the District) as of and for the year ended June 30, 2014 and the related notes to the financial statement, which comprise Unified School District No. 364's basic financial statement and have issued our report thereon, dated January 14, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency (2014-001).

## Compliance and Other Matters

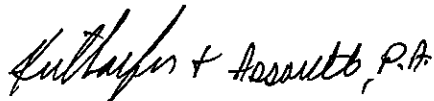
As part of obtaining reasonable assurance about whether the District's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Response to Findings

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statement and accordingly, we express no opinion on it.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Kickhaefer & Associate, P.A.

Marysville, Kansas

January 14, 2015

# KICKHAEFER & ASSOCIATE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Board of Education  
Unified School District No. 364  
Marysville, Kansas 66508

### **Report on Compliance for Each Major Federal Program**

We have audited Unified School District No. 364's (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2014. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with the *Kansas Municipal Auditing and Accounting Guide*; auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

### **Opinion on Each Major Federal Program**



In our opinion the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

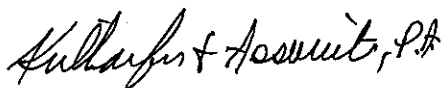
### **Report on Internal Control Over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit the attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Kickhaefer & Associate, P.A.  
Marysville, Kansas  
January 14, 2015

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

PROGRAM TITLE	FEDERAL CFDA NUMBER	PROGRAM OR AWARD AMOUNT	BEGINNING BALANCE 07-01-13	RECEIPTS	EXPENDITURES	ENDING BALANCE 06-30-14
U.S. DEPT. OF EDUCATION:						
PASSED THROUGH PROGRAMS FROM:						
KANSAS DEPARTMENT OF EDUCATION:						
TITLE I - FY 14	84.010	\$ 115,008.00	\$ 0.00	\$ 115,008.00	\$ 115,008.00	\$ 0.00
TITLE I-A - IMPROVING TEACHER QUALITY	84.367	31,584.00	0.00	31,584.00	31,584.00	0.00
TITLE V-B PRESCHOOL	84.173	9,661.00	0.00	9,661.00	9,661.00	0.00
TITLE V-B GRANTS TO STATES	84.027	260,536.00	0.00	260,536.00	260,536.00	0.00
TITLE V-B DISCRETIONARY SPEC. PROJECTS	84.027A	14,402.00	0.00	14,402.00	14,402.00	0.00
SAFE & SUPPORTIVE SCHOOLS	84.184	96,181.00	0.00	96,181.00	96,181.00	0.00
NEMHA CENTRAL USD #115:						
CARL PERKINS - CAREER AND TECHNICAL EDUCATION	84.048	9,333.73	0.00	9,333.73	9,333.73	0.00
TOTAL PASS-THROUGH PROGRAMS					536,705.73	
TOTAL U.S. DEPT. OF EDUCATION					536,705.73	
U.S. DEPT. OF LABOR						
PASS THROUGH PROGRAM FROM:						
KANSAS DEPARTMENT OF COMMERCE:						
HEARTLAND WORKS, INC.:						
WORKFORCE INVESTMENT ACT	17.259	35,951.00	0.00	35,951.00	35,951.00	0.00
TOTAL U.S. DEPT. OF LABOR					35,951.00	
					(CONT.)	

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

PROGRAM TITLE	FEDERAL CFDA NUMBER	PROGRAM OR AWARD AMOUNT	BEGINNING BALANCE 07-01-13	RECEIPTS	EXPENDITURES	ENDING BALANCE 06-30-14
U.S. DEPT. OF AGRICULTURE						
PASS THROUGH PROGRAM FROM:						
KANSAS DEPARTMENT OF EDUCATION:						
SCHOOL BREAKFAST PROGRAM	10.553	\$ 35,599.17	\$ 0.00	\$ 35,599.17	\$	0.00
SCHOOL LUNCH PROGRAM	10.555	161,886.44	0.00	161,886.44		0.00
SPECIAL MILK PROGRAM	10.556	587.76	0.00	587.76		0.00
TOTAL PASS THROUGH PROGRAMS				198,073.37		
TOTAL DEPT OF AGRICULTURE				198,073.37		
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
PASS THROUGH PROGRAM FROM:						
SOUTHEAST KANSAS EDUC. SERVICE CENTER:						
MEDICAL ASSISTANCE PROGRAM	93.778	20,676.82	0.00	20,676.82		0.00
KANSAS DEPT. OF HEALTH AND ENVIRONMENT						
MEDICAL ASSISTANCE PROGRAM	93.778	20,397.95	0.00	20,397.95		0.00
TOTAL PASS THROUGH PROGRAMS				41,074.77		
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES				41,074.77		
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ 811,804.87		

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2014

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Unified School District No. 364, Marysville, Kansas and is presented on the KMAAG regulatory basis of accounting which involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. The schedule of expenditures of federal awards includes supplies and equipment which were purchased with federal monies by the pass through entity on behalf of USD #364 and distributed to the District. These amounts are included in receipts and expenditures. Therefore, some amounts presented in this schedule may differ from amounts presented in the basic financial statement. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

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UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

**SUMMARY OF AUDITORS' RESULTS**

1. The auditors' report expresses an unqualified opinion on the Unified School District No. 364, Marysville, Kansas' financial statement under the regulatory basis of accounting and an adverse opinion under GAAP dated January 14, 2015.
2. One significant deficiency relating to the audit of the financial statement is reported in the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statement of Unified School District No. 364, Marysville, Kansas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No material weaknesses in internal control relating to the audit of the major federal award programs are reported in the Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for Unified School District No. 364, Marysville, Kansas expresses an unqualified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award programs for Unified School District No. 364, Marysville, Kansas, that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The programs tested as major programs are the Special Education Cluster Title VI - B, CFDA #'s 84.027 and 84.173 and the Child Nutrition Cluster, CFDA #'s 10.553, 10.555 and 10.556. The Special Education Cluster is a U.S. Department of Education program. The Child Nutrition Cluster is a U.S. Department of Agriculture program.
8. The dollar threshold between Type A programs and Type B programs was \$300,000.
9. The Unified School District No. 364, Marysville, Kansas, did not qualify under Section 530 as a low-risk auditee and therefore was not eligible for reduced audit coverage in accordance with Section 520.

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT.)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

2014-001 Cash Basis Violation

Condition: The district did not keep all individual fund balances at zero or above in FYE 14.

Criteria: Internal controls should be in place to prevent the district from having negative balances in their funds.

Cause: The State is underfunding selected programs in comparison to prior years and beginning cash balances of funds have been reduced considerably.

Effect: The district did not request enough funds to keep the General, Supplemental General and Coop Special Education Funds from being negative in November of 2013.

Recommendation: The district needs to request additional funding from the State early in order to cover the shortage.

Views of Responsible Officials and Planned Corrective Actions: The district agrees with the finding and the recommendation and has requested more State aid earlier in the current fiscal year.

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**FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS**

No findings or questioned costs were noted in the current fiscal year.

UNIFIED SCHOOL DISTRICT NO. 364  
MARYSVILLE, KANSAS

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
JUNE 30, 2014

PRIOR YEAR FINDINGS – FINANCIAL STATEMENT AUDIT

There were no prior year financial statement audit findings.

PRIOR YEAR FINDINGS – MAJOR FEDERAL AWARD PROGRAMS

There were no prior year major federal award program findings or questioned costs.